



# Town of BEACON FALLS *Connecticut*

**CHRISTOPHER J. BIELIK**

*First Selectman*



February 28, 2019

To the Committee on Education,

I am writing to you asking you to please oppose provisions in HB-7150, which shift teachers' pension costs onto the backs of local property taxpayers.

Education already comprises 70-90% of local budgets in our small towns, imposing tremendous pressure on local property taxpayers. As proposed, the bill shifts *at least* 25% of the "normal" teachers' pension costs to towns/school boards over a three year period, and for many small towns, considerably more than the 25%. The "normal cost", an actuarial term, is the full amount that must be set aside annually to cover the future pensions of present day teachers.

HB-7150 also requires towns that pay teacher salaries above the median to pay an additional percentage on top of the 25%. However, the normal cost already reflects increased costs associated with higher salaries. Requiring towns to pay an additional percentage for salaries above the median is unfair. In addition, many towns must pay higher salaries to reflect higher costs of living in certain regions of the state.

COST opposes **any** shift in teachers' pension costs because:

- 1) Towns have absolutely no authority to manage teachers' pension costs going forward, because benefits and contribution rates are set in statute. In addition, binding arbitration limits opportunities to negotiate lower salaries.
- 2) Given the state's ongoing budget challenges, COST is very concerned that the 25% will increase over time, shifting a greater burden onto property taxpayers.
- 3) Many small towns are struggling to control property tax levels given recent cuts in municipal aid. Requiring towns to pick up teachers' pension costs will overwhelm property taxpayers.

**I urge you to please reject efforts to shift costs onto towns and property taxpayers.**

Sincerely,

Christopher J. Bielik  
First Selectman